

103D CONGRESS
1ST SESSION

H. R. 2312

To amend the Federal Election Campaign Act of 1971 to reform House of Representatives campaign finance laws, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 27, 1993

Mr. GOSS introduced the following bill; which was referred jointly to the Committees on House Administration, Post Office and Civil Service, Energy and Commerce, the Judiciary, and Ways and Means

A BILL

To amend the Federal Election Campaign Act of 1971 to reform House of Representatives campaign finance laws, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. HOUSE OF REPRESENTATIVES ELECTION LIM-**
4 **TATION ON CONTRIBUTIONS FROM PERSONS**
5 **OTHER THAN LOCAL INDIVIDUAL RESIDENTS.**

6 (a) IN GENERAL.—Section 315 of the Federal Elec-
7 tion Campaign Act of 1971 (2 U.S.C. 441a), is amended
8 by adding at the end the following new subsection:

1 “(i)(1) A candidate for the office of Representative
2 in, or Delegate or Resident Commissioner to, the Congress
3 may not, with respect to a reporting period for an election,
4 accept contributions—

5 (A) from persons other than individual resi-
6 dents of the congressional district involved in excess
7 of 40 percent of the total of contributions accepted;
8 or

9 (B) from persons other than individual resi-
10 dents of the State in which the congressional district
11 involved is located in excess of 10 percent of the
12 total of contributions accepted.”.

13 **SEC. 2. REDUCTION IN LIMITATION AMOUNT APPLICABLE**
14 **TO CONTRIBUTIONS BY A MULTICANDIDATE**
15 **POLITICAL COMMITTEE TO A HOUSE OF REP-**
16 **RESENTATIVES CANDIDATE.**

17 Section 315(a)(2)(A) of the Federal Election Cam-
18 paign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended
19 by inserting after “\$5,000” the following: “, except that
20 in the case of an election for the office of Representative
21 in, or Delegate or Resident Commissioner to, the Con-
22 gress, the limitation shall be \$1,000.”.

1 **SEC. 3. BAN ON SOFT MONEY.**

2 (a) IN GENERAL.—Title III of the Federal Election
3 Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended
4 by adding at the end the following new section:

5 “LIMITATIONS AND REPORTING REQUIREMENTS FOR
6 AMOUNTS PAID FOR MIXED POLITICAL ACTIVITIES

7 “SEC. 323. (a) Any payment by the national commit-
8 tee of a political party or a State committee of a political
9 party for a mixed political activity—

10 “(1) shall be subject to limitation and reporting
11 under this Act as if such payment were an expendi-
12 ture; and

13 “(2) may be paid only from an account that is
14 subject to the requirements of this Act.

15 “(b) As used in this section, the term ‘mixed political
16 activity’ means, with respect to a payment by the national
17 committee of a political party or a State committee of a
18 political party, an activity, such as a voter registration
19 program, a get-out-the-vote drive, or general political ad-
20 vertising, that is both (1) for the purpose of influencing
21 an election for Federal office, and (2) for any purpose un-
22 related to influencing an election for Federal office.”.

23 (b) REPEAL OF BUILDING FUND EXCEPTION TO THE
24 DEFINITION OF THE TERM “CONTRIBUTION”.—Section
25 301(8)(B) of the Federal Election Campaign Act of 1971
26 (2 U.S.C. 431(8)(B)) is amended—

- 1 (1) by striking out clause (viii); and
2 (2) by redesignating clauses (ix) through (xiv)
3 as clauses (viii) through (xiii), respectively.

4 **SEC. 4. HOUSE OF REPRESENTATIVES OFFICIAL MAIL AL-**
5 **LOWANCE FORMULA REDUCTION.**

6 Section 311(e)(2)(B)(i) of the Legislative Branch Ap-
7 propriations Act, 1991 (2 U.S.C. 59e(e)(2)(B)(i)) is
8 amended by striking out “3” and inserting in lieu thereof
9 “1.5”.

10 **SEC. 5. PROHIBITION OF MAILING OF NEWSLETTERS**
11 **UNDER THE CONGRESSIONAL FRANK.**

12 (a) INTENT OF CONGRESS.—Section 3210(a) of title
13 39, United States Code, is amended by adding at the end
14 the following new paragraph:

15 “(8) It is the intent of Congress that a Member of
16 or Member-elect to Congress (other than a Senator or a
17 Senator-elect) may not mail a congressional newsletter as
18 franked mail.”.

19 (b) EXCLUSION FROM LIST OF FRANKABLE MAIL.—
20 Section 3210(a)(3) of title 39, United States Code, is
21 amended—

22 (1) in subparagraph (B) by inserting “subject
23 to paragraph (8),” before “the usual and cus-
24 tomary”; and

1 (2) in subparagraphs (I) and (J) by striking
2 out “newsletter or other”.

3 (c) EXCLUSION RELATING TO MASS MAILINGS.—
4 Section 3210(a)(6)(E) of title 39, United States Code, is
5 amended—

6 (1) in clause (ii) by striking out “or” after the
7 semicolon;

8 (2) in clause (iii) by striking out the period and
9 inserting “; or”; and

10 (3) by adding after clause (iii) the following
11 new clause:

12 “(iv) of congressional newsletters, to the extent
13 intended by Congress to be nonmailable as franked
14 mail under subsection (a)(8).”.

15 (d) EXCLUSION RELATING TO PERMISSIBLE FORMS
16 OF FRANKED MAIL.—Section 3210(c) of title 39, United
17 States Code, is amended by striking out “subsection (a)(4)
18 and (5) of this section.” and inserting in lieu thereof
19 “paragraph (4), (5), or (8) of subsection (a).”.

20 **SEC. 6. LENGTHENED NONMAILING PERIOD FOR MASS**
21 **MAILING BY MEMBERS OF THE HOUSE OF**
22 **REPRESENTATIVES.**

23 Section 3210(a)(6)(A) of title 39, United States
24 Code, is amended—

1 (1) in clause (i), by inserting after “60 days”
2 the following: (180 days in the case of a Member of,
3 or Member-elect to, the House of Representatives)”;
4 and

5 (2) in clause (ii)(II), by striking out “60 days”
6 and inserting in lieu thereof “180 days”.

7 **SEC. 7. AMENDMENTS TO COMMUNICATIONS ACT OF 1934.**

8 Section 315 of the Communications Act of 1934 (47
9 U.S.C. 315) is amended—

10 (1) in subsection (b)(1)—

11 (A) by striking “forty-five” and inserting
12 “30”;

13 (B) by striking “sixty” and inserting “45”;
14 and

15 (C) by striking “lowest unit charge of the
16 station for the same class and amount of time
17 for the same period” and insert “lowest charge
18 of the station for the same amount of time for
19 the same period”;

20 (2) by redesignating subsections (c) and (d) as
21 subsections (d) and (e), respectively;

22 (3) by inserting immediately after subsection
23 (b) the following new subsection:

24 “(c)(1) Except as provided in paragraph (2), a li-
25 censee shall not preempt the use, during any period speci-

1 fied in subsection (b)(1), of a broadcasting station by a
2 legally qualified candidate for public office who has pur-
3 chased and paid for such use pursuant to the provisions
4 of subsection (b)(1).

5 “(2) If a program to be broadcast by a broadcasting
6 station is preempted because of circumstances beyond the
7 control of the broadcasting station, any candidate adver-
8 tising spot scheduled to be broadcast during that program
9 may also be preempted.”; and

10 (4) in subsection (d) (as redesignated by para-
11 graph (2) of this section)—

12 (A) by striking “and” at the end of para-
13 graph (1);

14 (B) by striking the period at the end of
15 paragraph (2) and inserting “; and”; and

16 (C) by adding at the end thereof the fol-
17 lowing new paragraph:

18 “(3) a station’s lowest charge for purposes of
19 paragraph (1)—

20 “(A) with respect to a primary or primary
21 runoff election, is determined for the interval
22 beginning 60 days before such election and end-
23 ing on the date of that election; and

24 “(B) with respect to a general or special
25 election, is determined for the interval begin-

1 ning 90 days before such election and ending on
2 the date of that election.”.

3 **SEC. 8. DENIAL OF DEDUCTION FOR LOBBYING EXPENSES.**

4 (a) DISALLOWANCE OF DEDUCTION.—Section 162(e)
5 (relating to appearances, etc., with respect to legislation)
6 is amended to read as follows:

7 “(e) DENIAL OF DEDUCTION FOR CERTAIN LOBBY-
8 ING AND POLITICAL EXPENDITURES.—

9 “(1) IN GENERAL.—No deduction shall be al-
10 lowed under subsection (a) for any amount paid or
11 incurred—

12 “(A) in connection with influencing legisla-
13 tion,

14 “(B) for participation in, or intervention
15 in, any political campaign on behalf of (or in
16 opposition to) any candidate for public office, or

17 “(C) in connection with any attempt to in-
18 fluence the general public, or segments thereof,
19 with respect to elections.

20 “(2) APPLICATION TO DUES.—

21 “(A) IN GENERAL.—No deduction shall be
22 allowed under subsection (a) for the portion of
23 dues or other similar amounts (paid by the tax-
24 payer with respect to an organization) which is

1 allocable to the expenditures described in para-
2 graph (1).

3 “(B) ALLOCATION.—

4 “(i) IN GENERAL.—For purposes of
5 subparagraph (A), expenditures described
6 in paragraph (1) shall be treated as paid
7 out of dues or other similar amounts.

8 “(ii) CARRYOVER OF LOBBYING EX-
9 PENDITURES IN EXCESS OF DUES.—For
10 purposes of this paragraph, if expenditures
11 described in paragraph (1) exceed the dues
12 or other similar amounts for any calendar
13 year, such excess shall be treated as ex-
14 penditures described in paragraph (1)
15 which are paid or incurred by the organi-
16 zation during the following calendar year.

17 “(3) INFLUENCING LEGISLATION.—For pur-
18 poses of this subsection—

19 “(A) IN GENERAL.—The term ‘influencing
20 legislation’ means—

21 “(i) any attempt to influence the gen-
22 eral public, or segments thereof, with re-
23 spect to legislation, and

24 “(ii) any attempt to influence any leg-
25 islation through communication with any

1 member or employee of the legislative
2 body, or with any government official or
3 employee who may participate in the for-
4 mulation of the legislation.

5 “(B) EXCEPTION FOR CERTAIN TECH-
6 NICAL ADVICE.—The term ‘influencing legisla-
7 tion’ shall not include the providing of technical
8 advice or assistance to a governmental body or
9 to a committee or other subdivision thereof in
10 response to a specific written request by such
11 governmental entity to the taxpayer which
12 specifies the nature of the advice or assistance
13 requested.

14 “(C) LEGISLATION.—The term ‘legislation’
15 has the meaning given such term by section
16 4911(e)(2).

17 “(4) EXCEPTION FOR CERTAIN TAXPAYERS.—
18 In the case of any taxpayer engaged in the trade or
19 business of conducting activities described in para-
20 graph (1), paragraph (1) shall not apply to expendi-
21 tures of the taxpayer in conducting such activities on
22 behalf of another person (but shall apply to pay-
23 ments by such other person to the taxpayer for con-
24 ducting such activities).

1 “(5) CROSS REFERENCE.—

“For reporting requirements related to this subsection, see section 6050O.”

2 (b) REPORTING REQUIREMENTS.—

3 (1) IN GENERAL.—Subpart B of part III of
4 subchapter A of chapter 61 (relating to information
5 concerning transactions with other persons) is
6 amended by adding at the end the following new
7 section:

8 **“SEC. 6050O. RETURNS RELATING TO LOBBYING EXPENDI-**
9 **TURES OF CERTAIN ORGANIZATIONS.**

10 “(a) REQUIREMENT OF REPORTING.—Each organi-
11 zation referred to in section 162(e)(2) shall make a return,
12 according to the forms or regulations prescribed by the
13 Secretary, setting forth the names and addresses of per-
14 sons paying dues to the organization, the amount of the
15 dues paid by such person, and the portion of such dues
16 which is nondeductible under section 162(e)(2).

17 “(b) STATEMENTS TO BE FURNISHED TO PERSONS
18 WITH RESPECT TO WHOM INFORMATION IS FUR-
19 NISHED.—Any organization required to make a return
20 under subsection (a) shall furnish to each person whose
21 name is required to be set forth in such return a written
22 statement showing—

23 “(1) the name and address of the organization,
24 and

1 “(2) the dues paid by the person during the cal-
2 endar year and the portion of such dues which is
3 nondeductible under section 162(e)(2).

4 The written statement required under the preceding sen-
5 tence shall be furnished (either in person or in a statement
6 mailing by first-class mail which includes adequate notice
7 that the statement is enclosed) to the persons on or before
8 January 31 of the year following the calendar year for
9 which the return under subsection (a) was made and shall
10 be in such form as the Secretary may prescribe by regula-
11 tions.

12 “(c) WAIVER.—The Secretary may waive the report-
13 ing requirements of this section with respect to any orga-
14 nization or class of organizations if the Secretary deter-
15 mines that such reporting is not necessary to carry out
16 the purposes of section 162(e).

17 “(d) DUES.—For purposes of this section, the term
18 ‘dues’ includes other similar amounts.”

19 (2) PENALTIES.—

20 (A) RETURNS.—Subparagraph (A) of sec-
21 tion 6724(d)(1) (defining information return) is
22 amended by striking “or” at the end of clause
23 (xi), by striking the period at the end of the
24 clause (xii) relating to section 4101(d) and in-
25 serting a comma, by redesignating the clause

(xii) relating to section 338(h)(10) as clause (xiii), by striking the period at the end of clause (xiii) (as so redesignated) and inserting “, or”, and by adding at the end the following new clause:

“(xiv) section 6050O(a) (relating to information on nondeductible lobbying expenditures).”

(B) PAYEE STATEMENTS.—Paragraph (2) of section 6724(d) (defining payee statement) is amended by striking “or” at the end of subparagraph (R), by striking the period at the end of subparagraph (S) and inserting “, or”, and by adding at the end the following new subparagraph:

“(T) section 6050O(b) (relating to returns on nondeductible lobbying expenditures).”

(C) EXCESSIVE UNDERREPORTING.—Section 6721 (relating to failure to file correct information returns) is amended by adding at the end the following new subsection:

“(f) PENALTY IN CASE OF EXCESSIVE UNDERREPORTING ON NONDEDUCTIBLE DUES.—If the aggregate amount of nondeductible dues which is reported on the return required to be filed under section 6050O(a)

1 for any calendar year is less than 75 percent of the aggre-
 2 gate amount required to be so reported—

3 “(1) subsections (b), (c), and (d) shall not
 4 apply, and

5 “(2) the penalty imposed under subsection (a)
 6 shall be equal to the product of—

7 “(A) the amount required to be reported
 8 which was not so reported, and

9 “(B) the highest rate of tax imposed by
 10 section 11 for taxable years beginning in such
 11 calendar year.”

12 (3) CONFORMING AMENDMENT.—The table of
 13 sections for subpart B of part III of subchapter A
 14 of chapter 61 is amended by adding at the end the
 15 following new item:

“Sec. 60500. Returns relating to lobbying expenditures of certain
 organizations.”

16 (c) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to amounts paid or incurred after
 18 December 31, 1993.

19 **SEC. 9. PROHIBITION OF TRAVEL BY MEMBERS, OFFICERS,**
 20 **AND EMPLOYEES OF THE HOUSE OF REP-**
 21 **RESENTATIVES AT LOBBYIST EXPENSE.**

22 (a) IN GENERAL.—A Member, officer, or employee
 23 of the House of Representatives may not perform any
 24 travel at the expense of a person who is required to reg-

1 ister under section 308 of the Federal Regulation of Lob-
2 bying Act (2 U.S.C. 267).

3 (b) DEFINITION.—As used in this section, the term
4 “Member of the House of Representatives” means a Rep-
5 resentative in, or a Delegate or Resident Commissioner
6 to, the Congress.

7 **SEC. 10. SENSE OF CONGRESS RELATING TO LIMITATION**
8 **OF TERMS OF REPRESENTATIVES AND SEN-**
9 **ATORS.**

10 It is the sense of Congress that the Constitution
11 should be amended so that no person may serve more than
12 4 consecutive terms as Representative or two consecutive
13 terms as Senator.

14 **SEC. 11. SENSE OF CONGRESS RELATING TO APPLICATION**
15 **OF GENERALLY APPLICABLE LAWS TO THE**
16 **CONGRESS.**

17 It is the sense of Congress that Congress is not ex-
18 empt from the laws that it enacts and should govern itself
19 according to the laws that apply to the private sector and
20 the other branches of the Federal Government.

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